



June 17, 2026

Public Utilities Commission of Nevada
1150 E. William Street
Carson City, NV 89701

Re: Docket #26-05007

Dear Commissioners and Regulatory Operations Staff,

The Nevada Clean Energy Fund (NCEF) submits these comments on specific, key elements of NV Energy's proposed Distributed Energy Resources (DER) Plan and Demand-Side Management (DSM) Plan that present important opportunities to lower bills, improve reliability, and expand access to clean energy for Nevada households and businesses while remaining cost effective and equitable. With these comments, NCEF expresses its support for the following four aspects of the 2026 Joint Integrated Resource Plan, described in more detail below:

- (1) the tariffed-on-bill pilot,
- (2) the grid services tariff riders and large load customer offsite DSM concept,
- (3) the school bus vehicle-to-grid (V2G) tariff extension and Rule 9 allowance update, and
- (4) the growing need for demand-side programs that deliver customers energy savings,

NCEF is an independent, 501(c)(3) nonprofit organization established by state legislation in 2017. NCEF administers programs that deliver financial and technical resources to residents, affordable housing, Tribes, small businesses, schools, local governments, and others in the state. NCEF is an important capacity tool and resource in Nevada for advancing solutions such as building efficiency and electrification, clean vehicles, and renewable energy and energy storage. NCEF regularly works with NV Energy and policymakers in this effort. NCEF fills critical gaps many Nevadans face in accessing beneficial energy solutions and utility programs by providing accessible and affordable capital and technical assistance, such as maintaining a statewide network of quality residential and commercial energy contractors and educating customers on available solutions and incentives. NCEF currently administers approximately \$14 million in investment capital and \$11 million in grant funds through its programs. As Nevada's green bank, NCEF blends federal, public, private, and philanthropic funds to provide the accessible financing and technical assistance necessary to unlock clean energy opportunities for underserved communities and markets. NCEF uses this funding to catalyze multiples of impact by leveraging other funds and incentives, reinvesting repayments over time to scale impact, and building markets to lay the groundwork to crowd in other investors.

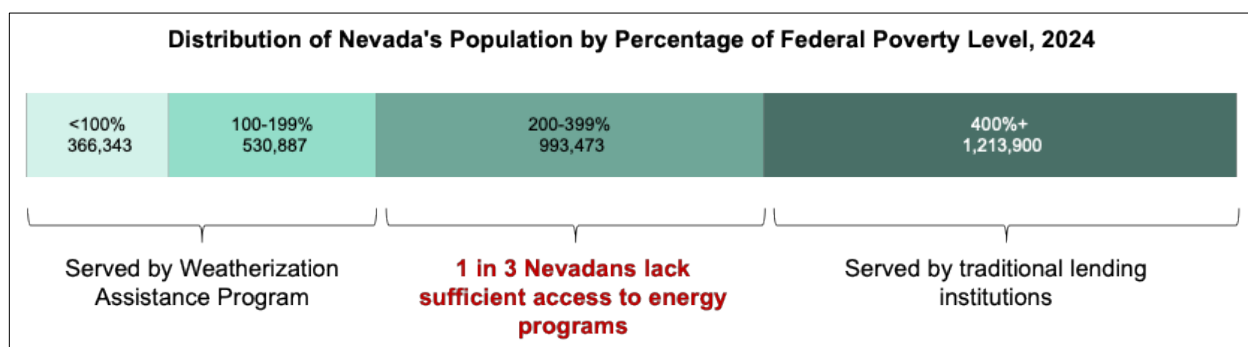
(1) Support for the Tariffed-On-Bill Pilot in the DER Plan

NCEF strongly supports NV Energy's proposed Tariffed-On-Bill (TOB) pilot. TOB allows a utility to fund energy upgrades at a customer's home or business and recover the costs through a fixed tariff charge on the customer's utility bill that is lower than the estimated energy bill savings from the upgrades. TOB can drive greater utility demand-side program adoption by overcoming upfront cost barriers and reaching underserved communities such as renters and underbanked customers, while delivering system-wide benefits from energy efficiency, peak demand reduction, transmission and distribution (T&D) investment deferral, and improved environmental, health, and climate outcomes. As NV Energy's IRP notes, several investor-owned utilities offer TOB-type

programs. Since TOB was first implemented by a rural electric utility in the 1990s it has expanded to more than 110 utilities across the US, including over 30 investor-owned utilities.¹

TOB programs can be accessible to all customers because they do not require consumer credit; there is no required upfront payment by the customer; and the cost recovery is associated with the meter rather than an individual or business. These attributes help make building energy upgrades accessible to renters, energy-burdened households, those who lack capital or credit, and those unable to take on personal debt to pay for the upfront costs of energy upgrades – barriers that typically prevent consumer investments in energy improvements and limit the reach of utility demand-side programs.

NCEF's Residential Energy Upgrade Program (RE-UP) demonstrates both the value of inclusive investment models and the need for TOB. RE-UP provides financing and education for households to implement energy upgrades, from efficient HVAC to weatherization to rooftop solar and energy storage. RE-UP uses alternative underwriting—such as ability-to-repay rather than credit score—to unlock capital for low- and moderate-income (LMI) households who would not otherwise be served by traditional lenders and who are not eligible for income-qualifying programs. Many RE-UP applicants have already been denied by traditional lenders. Even with RE-UP's flexible approach, RE-UP must decline a significant portion of applicants due to insufficient income to repay a traditional loan. This has resulted in over \$5 million of missed project opportunities over the past two years that could have reduced bills for Nevada households and provided grid benefits. These declinations are concentrated among households between 200% and 400% of the Federal Poverty Line (FPL). These customers are considered LMI and face significant housing and energy cost burdens but are not eligible for the Weatherization Assistance Program or NV Energy's Qualified Appliance Replacement Program. Lack of access to capital also prevent these customers from accessing NV Energy's other, non-income qualifying demand-side rebate programs due to an inability to pay the upfront costs of an energy upgrade.



A well-designed TOB program can fill this gap by offering an investment structure that is not limited by consumer bankability and is instead anchored in measure-level cost-effectiveness and bill savings. This would help unlock utility programs and demand-side investment for customers who are currently unable to access cost-effective energy upgrades. Below, we highlight important design elements of NV Energy's proposed TOB pilot.

Consumer protection, cost-effectiveness, and third-party capital

NV Energy's proposed TOB pilot incorporates critical practices to safeguard customers. The pilot requires that funded measures achieve estimated energy bill savings at least 20% greater than

¹ Stanton, Tom & Sklar, Scott. *Utility Tariff On-Bill Financing: Provisions and Precautions for Equitable Programs*. National Association of Regulatory Commissioners & National Regulatory Research Institute. January 2020.

the TOB tariff amount. This is a common best practice for TOB programs. NV Energy also includes quality assurance and quality control throughout program delivery, including the use of approved contractors—an approach that has proven effective for NCEF’s RE-UP in supporting quality installation. Evidence from existing TOB programs demonstrate how this smart program design reduces customer utility payments and arrearages. Some utilities, such as in Hawaii, prioritize TOB for customers with arrearages to help reduce disconnection risk. Reported customer write-off rates for TOB program participants have consistently been below 0.4%—far lower than average electric utility disconnection rates that are estimated to range between 1% to 3%,² and utility write-offs associated with TOB programs are estimated to be roughly 30 times lower than write-offs for consumer loan programs.³ These outcomes are largely driven by the realized bill savings experienced by TOB program participants.

NV Energy identified an initial bundle of measures that could meet the 80% bill savings requirement for the residential TOB pilot: DR-enabled smart thermostats, duct sealing and repair, and air sealing and attic insulation. Based on Nevada-specific data and analysis from the National Lab of the Rockies’ ResStock Analysis, as well as real-world cases from existing TOB programs and NCEF’s RE-UP program, NCEF believes that additional measures, such as heat pump water heaters and heat pump for HVAC in southern Nevada, could also qualify under the pilot’s bill savings requirements.⁴ NCEF encourages the utility and the Commission to examine this possibility during the IRP proceedings.

NV Energy proposes to fund the pilot’s initial investment fund using utility capital. The monthly fixed tariff charge on a TOB participant’s bill would include the Companies’ weighted average cost of capital (8.81%) on the Companies’ upfront investment in the installed measures. While we support the use of utility capital, we also urge NV Energy and the PUCN to allow opportunities to blend utility capital with third-party funds. This would enable the TOB pilot to access lower cost capital, further increasing the pilot’s cost effectiveness. For example, NCEF could offer investments through a TOB program at a 5.5% weighted average cost of capital using current funding sources. If a TOB program were implemented, NCEF could actively raise dedicated funds, including grant and impact investment capital, to further reduce this rate and increase cost effectiveness.

Avoiding TOB-related cost-shifting

In NV Energy’s design, the TOB program will fund a measure at an individual premise that does not increase any other ratepayer’s bill. Only those who opt in to the Pilot will be required to pay the tariff. Similarly, administrative fees associated with the program could be charged only to participants as a fixed fee incorporated into the cost of installing the measure—a common practice for existing TOB programs in the U.S.

Customer adoption potential

NV Energy projects a residential TOB adoption rate of roughly 5.5% of eligible customers. Other utility TOB programs that fully cover upfront costs, as NV Energy proposes, have experienced adoption rates of more than 6% and above, including 8.3% for How\$mart KY in Kentucky, 6% for Ouachita Electric Cooperative PAYS program, and 5% for Roanoke Electric’s Upgrade to Save.⁵ Program adoption drops significantly if co-payments are required.

² U.S. Energy Information Administration. *2024 Residential Utility Disconnections Report*. April 2026.

³ Hummel, Holmes, et al. "100% Targets Mean Reaching Everyone: The Imperative for Inclusive Financial Solutions." ECEEE. Summer 2022.

⁴ ResStock. "Residential Energy Efficiency Potential: Nevada." National Laboratory of the Rockies.

⁵ Ferguson, Jill, et al. "Pay As You Save System of Inclusive Utility Investment for Building Efficiency Upgrades: Reported and Evaluated Field Experience in the United States." ECEEE. September 1, 2022, p. 8-11. See also

NV Energy's TOB pilot enables customers—especially renters, low-income households, and customers with limited credit—to invest in cost-effective upgrades and repay them on the utility bill where the savings occur. TOB investments can reduce arrearages, improve comfort and health, expand access to and participation in utility programs, and enhance grid reliability without cross-subsidies.

(2) Support for Grid Services Tariff Riders and Large Load Customer Offsite DSM Concept

NCEF supports the grid services tariff riders (GSR-E and GSR-C) and the large load customer offsite DSM concept outlined in NV Energy's DSM Plan. These tools unlock access to virtual power plant (VPP) resources that enable the Nevada grid to leverage both existing and new distributed resources for grid resilience, capacity, and health.

The DSM Plan proposes to transition demand response and DER programs to performance-based compensation under Schedule GSR-E (energy) and Schedule GSR-C (capacity), establishing a unified, technology-neutral framework for valuing grid services. This framework turns smart thermostats, residential and commercial batteries, agricultural pumping loads, and school HVAC systems into dispatchable VPP resources that both reduce peak demand and create a new revenue stream for households and community facilities to invest in energy savings upgrades. By providing transparent, tariff-based compensation for energy and capacity contributions, the grid services riders allow households to invest with greater confidence in demand-side resources such as smart thermostats, heat pumps, and behind-the-meter storage. For LMI customers and community facilities in particular, these riders can create new revenue streams that improve project economics, boost energy affordability, and attract new investments from institutions like NCEF. NCEF also strongly supports NV Energy's proposal for an upfront multi-year payment structure, as it directly addresses the significant barrier of upfront costs and reduces the complexity for customers of assessing the future value of grid services tariffs.

The Large Load Customer Offsite DSM Concept developed in collaboration with Google can similarly unlock much-needed funding for DSM programs in Nevada while helping to meet the capacity requirements of rapidly-growing industrial and data center load. This concept would put Nevada at the forefront of ensuring that large new loads are matched with investments in distributed energy resources that deliver tangible benefits to households and communities.

(3) School Bus V2G Tariff Extension and Rule 9 Allowance Update

Through NCEF's Clean School Bus program, NCEF is working with six Nevada school districts to replace 25 diesel buses with electric ones, improving air quality for over 1,500 school children and cutting bus fuel and maintenance costs by more than half. This initiative is funded by an \$8.7 million grant secured by NCEF from the U.S. Environmental Protection Agency (EPA), and the school districts are braiding these federal funds with utility funds by participating in NV Energy's Electric School Bus (ESB) Vehicle-to-Grid (V2G) Trial Program.

Under the EPA grant requirements, participating school districts must scrap their diesel buses by March 2027, and we are working diligently with NV Energy to ensure ESB V2G funds are deployed to install bus chargers prior to this critical deadline. NCEF supports NV Energy's proposed V2G tariff extension from 12/1/2027 to 12/1/2029 given current school bus delivery and EV charger installation timelines.

NCEF also supports the adjustment to the Estimated Demand Based Allowance (EDBA) for Rule 9 up to 100%. As previously discussed, upfront costs are a widespread and prohibitive barrier to customers accessing utility programs, particularly for underserved communities.

(4) Demand-Side Programs That Save Customers Energy Are Needed More than Ever

Delivering energy cost savings is especially critical in a state with the largest affordable housing shortage in the nation⁶ and among the highest unemployment rates, which leaves many Nevada households particularly sensitive to utility bill increases. Reno and Las Vegas are the fastest-warming cities in the country,⁷ driving up cooling needs and associated electricity costs in a state that already ranks sixth in the nation for per capita expenditures on air conditioning.⁸ More than one in three Nevadans report experiencing energy insecurity—such as reducing spending on food or medicine to pay energy bills or keeping homes at unsafe temperatures.⁹ In addition, the Las Vegas area received an ozone nonattainment designation by the federal government¹⁰ and a failing grade for air quality from the American Lung Association,¹¹ with energy use as a primary source of local air pollution. As a leader in solar, geothermal, and lithium supply, and with significant untapped energy efficiency potential, Nevada has the resources at its fingertips to address these challenges. Yet clean energy adoption in LMI communities and among small commercial and community customers remains low due to limited investor activity, modest energy programs at the state and local levels, and a shortage of quality residential and small commercial energy contractors. For example, CDFI Friendly America estimates that community development financing in Clark County at one-third of the national average. NCEF's programs are designed to address these barriers by combining accessible financing, education, and contractor vetting and training to support clean energy projects across the state. NCEF's programs demonstrate how well-designed demand-side programs, such as NV Energy's proposed TOB pilot and grid services tariff riders, can provide much-needed benefits to Nevada's utility customers and the grid.

In addition to NCEF's programs that support commercial and community customers in Nevada, NCEF's RE-UP program helps Nevadans lower their energy bills by providing financial and technical support for home energy upgrades. The program has three components:

- 1. Financial Assistance:** Affordable loans for home improvements such as efficient HVAC systems, water heaters, lighting, insulation, roofing, solar, EV chargers, weatherization, and other health, safety, or resilience measures.
- 2. Technical Assistance:** Help identifying and accessing federal, state, and utility incentives to reduce project costs and make upgrades more attainable to more households.
- 3. Vetted Contractor Network:** A network of local home energy contractors—supporting small businesses and ensuring dependable, quality service for participants.

Since launching in 2023, RE-UP has received over 400 applications from households across the state, deployed over \$2 million in financing to support home energy upgrades, and onboarded over 60 contractors from various trades to its statewide network. Contractors are screened to ensure they are properly licensed and insured, follow best practices, and have a track record of

⁶ National Low Income Housing Coalition. "The Gap: A Shortage of Affordable Homes." March 2026.

⁷ Climate Central. "Fastest-Warming U.S. States and Cities." April 22, 2026.

⁸ U.S. Energy Information Administration. *Residential Energy Consumption Survey (RECS) 2020 Data*.

⁹ U.S. Census Bureau. "Phase 4.2 Cycle 08 Household Pulse Survey: July 23 – August 19." September 12, 2024.

¹⁰ U.S. Environmental Protection Agency. Nevada Nonattainment/Maintenance Status for Each County by Year for All Criteria Pollutants." May 31, 2026.

¹¹ American Lung Association. State of the Air Report Card: Nevada." 2026.

quality service. RE-UP has helped families in both urban and rural communities lower utility costs and improve home comfort and safety.

Testimonials from RE-UP Households

Emergency Assistance for a Rural Veteran in Dayton

"The Nevada Clean Energy Fund helped [...] supervised the progress of the work, as well as providing funding to me that I could not come up with myself. I am truly very happy and thankful that this organization exists. This was an emergency I hadn't planned for [and] this organization made it painless."

Relief for a Caregiver and Disabled Parent in Las Vegas

A RE-UP household cares for her elderly mother with a disability and urgently needed a new air conditioner for medical reasons. She was concerned about the cost, and turned to RE-UP after a contractor referral. The program verified the quote and provided financing at a manageable price. In her feedback, she shared deep appreciation for NCEF's empathy and support.

New Air Conditioner for a Low-Income Family in Las Vegas

"We weren't able to get a loan through several companies due to bankruptcy and felt we were not going to get a new air conditioner in this heat. You gave us a chance. I thank you so much and God bless all who read this."

Trusted Energy Upgrades for a Veteran in Las Vegas

"Like everyone else, I am finding surviving and thriving to be difficult. With the increasing electricity [costs], and so many people running scams, one gets confused on who to trust. Long story short, this program has changed that. From our first conversation, trust was established and questions answered. I'm looking forward to getting in on the energy saving."

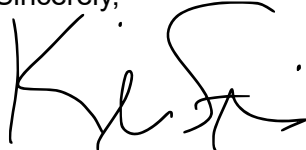
Contractor Helping Communities Lower Costs in Las Vegas

"RE-UP is a much-needed resource for customers and small contractor businesses. Many homes in southern Nevada, particularly those in underserved communities, are in dire need of upgrades to bring down increasingly burdensome utility costs and provide older homes with proper weatherization and energy efficiency benefits."

To conclude, we encourage the Commission to approve the TOB pilot, grid services tariff riders, School Bus V2G tariff extension, and Rule 9 allowance increase, and to continue to work with NV Energy to advance the Large Load Customer Offsite DSM Concept. We hope that the Commission and NV Energy consider the NCEF a resource both in program design and implementation, given our successes in scaling demand-side energy investments, education, and technical assistance programs in the state. NCEF stands ready to work with the PUCN, NV Energy and others to advance and implement the proposed DSM elements of the IRP.

Thank you for your time and consideration of our comments.

Sincerely,



Kirsten Stasio
CEO, Nevada Clean Energy Fund
kirsten@nevadacef.org
(775) 293-8433
1515 Plumas St. Reno, NV 89509